

**AQAA**  
**DAR COUNCIL ACTIVITY REPORT**  
**17 April 1997**

**FAR/DFARS Cases Discussed:**

|         |   |  |
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| 97-D302 | <b>Certification of Requests for Equitable Adjustment:</b> Implements statutory requirement at 10 USC 2410 for certification requests for equitable adjustment to contract terms exceeding \$100,000.   | Discussion of reclama comments on interim rule (agreed to on 04/09/97) extended to 04/23.                                    |
| 95-022  | <b>Changes in Contract Administration and Audit Services Cognizance:</b> Revises FAR subparts 42.1, 42.2, and 42.3 to include a formal audit cognizance policy along with a policy for contract administration cognizance. Clarifies language on indirect cost rates in FAR subpart 42.7. | Agreed to final rule, as edited.   |
| 95-307  | <b>Use of DUNS as Primary Contractor Identification:</b> Revises FAR to make the DUNS number the primary contractor identification.   | Agreed to final rule, as edited.   |
| 96-609  | <b>Taxpayer Identification Number:</b> Clarifies guidance on the use of procurement integrity clauses in commercial item acquisitions.  | Agreed to draft rule, as edited.   |
| 95-032  | <b>IR&amp;D/B&amp;P Costs for FY96 and Beyond:</b> Revises IR&D/B&P cost principle to implement the intent of Congress to treat these costs for FY96 and beyond as fully allowable, subject only to the FAR normal standards of reasonableness and allocability.                          | Discussed with OSD/CPF and DCAA. Returned to Cmte to modify paragraph (e) to clarify "...in pursuit of..." Report due 04/23. |
| 97-D011 | <b>Distribution of Contract Financing Payments:</b> Implements revisions to Section G of the Schedule to provide instructions adequate to permit the paying office to distribute the contract financing payments in proportions.  | DLA will prepare alternate language. Scheduled for discussion 04/30/97.  |
| 96-D319 | <b>Authority to Waive Foreign Purchase Restrictions:</b> Implements 810, which adds new authority to waive the restrictions on foreign purchases at 10 U.S.C. 2534.   | Agreed to final rule.  |

**NOTE 1:** FAR Case 97-603, Empowerment Contracting, was published as a proposed rule on 04/18/97. This case represents the Administration's efforts to encourage business activity in areas of economic distress by providing procurement incentives to qualified businesses. This case is not being handled in the DAR/FAR Council process. Therefore, Agency concerns can only be addressed by submitting public comments. The public comment period ends on 06/17/97.

**NOTE 2:** We have been told that in the near future the Administration will be publishing a proposed rule on post-Adarand small business preference programs. This case will not be handled through the Council process. The public comment period will be the only opportunity for Agency comment.